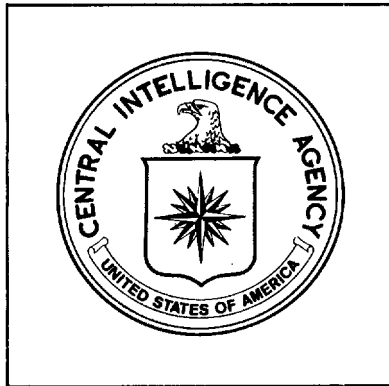


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**China**

# **REGIONAL AND POLITICAL ANALYSIS**

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This publication is prepared for regional specialists in the Washington community by the East Asia/Pacific Division, Office of Regional and Political Analysis, with occasional contributions from other offices within the Directorate of Intelligence. Comments and queries are welcome. They should be directed to the authors of the individual articles.

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Upgrading Science and Technology

As part of its effort to modernize China's economy, Hua Kuo-feng's government has begun to take steps to upgrade basic research in two crucial areas--science and technology.

① Over the past few months, there have been numerous signs that China's leaders are concerned about the low priority given to these fields in recent years. Many articles in the press, for instance, have attacked the "gang of four" for undermining work in science and technology and have called for renewed attention to basic research in these fields. Among the most recent were two front-page articles in *People's Daily* on March 9 that attacked the "gang of four" for trying to infiltrate the Academy of Sciences and use it as a base for promoting their political ambitions. Now that the gang has been purged, they said, China's scientists should strive to "consolidate" the Academy of Sciences and to promote scientific research in order to "accomplish the modernization of science and technology by the end of the century." This same theme is repeated in no less than four articles in the April issue of the Chinese Communist Party's theoretical journal, *Red Flag*.

② There have been other more concrete signs of the government's interest in basic research. In January, Fang I, former minister for economic relations with foreign countries and an official with a long career in managing scientific and technological programs, was appointed vice president of the Chinese Academy of Sciences. He was presumably given a mandate to overhaul the academy and to improve the quality of its research programs. Since his appointment, the academy has held a number of professional conferences to promote scientific research. In March, for instance, there were two scientific meetings in Peking--a conference on high energy physics and a forum of scientific and technological workers to discuss the principle of "letting a hundred schools of thought contend" in the field of science.

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①  
② The theme of this last conference suggests the importance that China's leaders attach to upgrading scientific and technological research. "Letting a hundred schools of thought contend" is a Chinese codeword for allowing greater freedom of thought and more debate. It is possible that China's leaders realize that without at least a limited amount of discussion and more freedom to pursue research programs, China's science and technology will continue to stagnate and the goal of developing a modern, industrial economy will become more elusive.

③ There is a pressing need for all of these measures. In spite of their importance to economic development, science and technology have received short shrift in China since the Cultural Revolution in the mid-1960s. Two nagging problems have resulted--a shortage of qualified personnel and a lack of sufficient expertise. During the Cultural Revolution, many senior researchers were purged. Others, harried by political pressures, withdrew from their work. Few were replaced, because schools and universities, forced to deemphasize academic training and to curtail their graduate programs, were unable to turn out qualified younger scholars. In astronomy, for example, it has been estimated that there are at most 30 graduate students in the entire country. The training of these few younger researchers, moreover, is often spotty and inadequate. Over the past decade, they like their elders have often been obliged to neglect their studies and research in favor of participating in political campaigns or working in the countryside or in factories.

The dangers of this situation have not been lost on some of China's leaders. As long ago as 1972, both Mao Tse-tung and Chou En-lai allegedly became concerned about the low priority accorded to developing science and technology.

③ [redacted] in 1975, Hua Kuo-feng and Teng Hsiao-ping took charge of an effort to upgrade basic research at the Academy of Sciences. Both of these efforts, however, came to naught--allegedly because the "gang of four" opposed and sabotaged them. Now that the gang has been purged, China's new leaders, many of whom have expressed concern about the state of

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science and technology, are certain to press on with their plans to upgrade basic scientific and technological research. They realize, as some of their rivals did not, that a strong research program is a key to developing a strong industrial economy.

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Waiting for Teng

- ① The failure of former vice premier Teng Hsiao-ping to return to public political life earlier this month, despite expectations and even predictions of Chinese officials that he would do so, suggests continuing controversy over the Teng issue among the few leaders currently on the depleted Politburo. Although most accounts indicate that the major bone of contention is what position to give Teng, the heart of the issue seems to be the more fundamental question of how Teng's return will affect the distribution of power at the top and the personal political fortunes of certain leaders.

- ① Much speculation among Chinese and outsiders alike has focused on the impact of Teng's return on new party Chairman Hua Kuo-feng's status. While the lesser known Hua may not be eager for Teng's rehabilitation, more recent indications are that he has adopted a neutral position above the current fray. The more immediate problem, and the one that probably accounts for the changing signals on the timing of Teng's reemergence, seems to be the often reported opposition of Politburo members Chen Hsi-lien, Wu Te, and Wang Tung-hsing. All could have reason to fear that a Teng restored to official position would seek retribution against them based either on their earlier less-than-cordial relationship or their eagerness to jump on the anti-Teng bandwagon after his dismissal. Rumors that the three are in varying degrees of political trouble have been making the rounds for some time, [REDACTED]

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- ④ [REDACTED]
- ① Of the three men, the case against Peking party boss Wu Te seems the weakest. There is no evidence that Wu and Teng did not get along in the past. The blackest mark against Wu seems to be his role in calling for an end to the riots in Peking last April that resulted in Teng's dismissal. If the riots were a justified response to provocation from the now fallen leftists, which now

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seems to be the official explanation, then Wu's calling a halt to them could be used against him by Teng's supporters. Nevertheless, Wu allowed the riots to go on all day and ordered the crowds to disperse only after they had set fire to a building. He did not, as charged, attack Teng by name in his speech to the rioters. He was, however, the last senior official to call for continued criticism of Teng, and that may make Wu himself sufficiently uneasy about Teng's return to try to resist it.

Despite the role of the security forces under Wang Tung-hsing in arresting Teng's major opponents, the "gang of four," it is possible that Wang and Teng themselves did not work well together. Teng reportedly wanted to name his own man to head the party's General Office, a job that is held by Wang. That in itself may be enough reason for Wang to oppose Teng's return. Little is known of Wang's policy preferences, but because of his long personal association with Mao, he seems the least likely member of the Politburo to support Teng's rightist policies.

Chen Hsi-lien, commander of the Peking Military Region, probably is playing a key role in the discussions of Teng's fate, much as he did in January 1976 when his apparent abandonment of Teng possibly led other military men to turn their backs on him. The military reportedly is not united on the Teng issue, and Chen, whom Teng may have wanted to replace as Peking Military Region commander, is a likely candidate to oppose Teng. Chen was attacked in wallposters last January for opposing Teng, and rumors that he will be transferred out of Peking--and apparently lose his vice premiership as well--probably reflect a perception by many Chinese that Teng's return may not bode well for Chen.

Just as rumors of Teng's imminent return began to be replaced by excuses for his delayed appearance, Chen, who had not been very active publicly, suddenly showed up twice in Peking, suggesting the "oppositionists" have won a temporary delay. Chen's recent high visibility contrasts with that of his alleged civilian cohorts, Wu Te and Wang Tung-hsing. It is possible that a final resolution of the Teng question will involve some assurances to the more powerful Chen that he will not lose much, if any, ground.

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- Despite Teng's failure to appear, most signs still point firmly in the direction of his return. Teng's brother continues to make public appearances, and media references to the "gang of four's" attacks on "a leading comrade of the Central Committee and State Council" seem to imply Teng. If his opponents have been able to delay his return, they have had no impact on personnel appointments in the provinces, almost all of which seem to benefit Teng and those who support him. Moreover, there is a strong feeling among the Chinese populace, but more importantly among Chinese officials, that the country needs Teng because no one can match his ability--and contacts--to get things done rapidly and efficiently.

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New Possibilities in South Asia

China has reacted to the defeat of Indira Gandhi in last month's Indian election with public glee and private caution. Peking is encouraged because the new Prime Minister, Morarji Desai, has implied he will move to loosen India's special ties with the Soviet Union developed during Gandhi's tenure by pursuing a more evenhanded foreign policy. Chinese officials, however, are also aware that the new Indian government is still fragile and heavily dependent upon the USSR--a dependency underscored by the Soviet foreign minister's forthcoming trip to Delhi.

Peking has been trying to improve relations with New Delhi since early last year. The Chinese made slow progress and an exchange of ambassadors occurred late last summer. Gandhi, however, was in no hurry to advance Sino-Indian relations.

The Chinese attempted to take advantage of problems between India and the USSR. Last summer, Peking broadcast articles emphasizing the economic disadvantages of India's trade with the USSR. In January, the Chinese used the occasion of the visit of a private Indian delegation to China to signal their interest in better relations. Given China's recent record of attempts to demonstrate good will plus Desai's expressed desire for better relations with all of India's neighbors, the Chinese may now cautiously seek an opportunity to improve relations.

Any real improvement in relations would necessarily raise the long-standing Sino-Indian border dispute. With Gandhi out of the picture, Peking may reason that this is the best opportunity since the 1962 border war to probe this question. On January 11, a Chinese Foreign Ministry statement reiterated Peking's "stand of resolving boundary conflict through negotiations." An Indian official reacted favorably to the Chinese statement, but indicated that the important tactical question of which side would formally propose negotiations would have to be resolved. Two forthcoming

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① contacts between the Chinese and Indians may produce further signals. Indian businessmen will go to the Canton spring fair and an exchange of journalist delegations will follow. Peking may want to avoid explicitly proposing negotiations then, but there may be hints of a desire to get talks underway.

③ At the same time, Peking may want to explore the attitudes of the new Indian leadership toward their bilateral disputes. Prime Minister Desai has taken a hard line on the border question in the past. The Chinese will be interested in seeing how this squares with his call for improved relations with all countries.

② Another possible avenue of exploration for the Chinese is the Indo-Pakistani dispute over Kashmir. The Chinese have supported the Pakistani line on Kashmir for years as part of their "tilt" toward Islamabad. Peking recently voiced firm support for the people of Kashmir in "their just struggle for the right to national self-determination." Given a stable, less hostile, less pro-Soviet Indian government, China may choose to soft-pedal this line in the future.

② Peking's relationship with Islamabad would be affected by real progress with New Delhi. Pakistan, China's long-time friend in South Asia, served as China's fulcrum to gain leverage with a hostile India. The ups and downs of Chinese military and economic assistance to Pakistan have closely followed the course of China's policy toward India. Peking nonetheless has reassured Islamabad that any improvement in relations with New Delhi would not be at Pakistan's expense. Last year, for example, as the Chinese moved toward normal relations with India, they increased their military deliveries to Pakistan.

② A high-level Chinese military delegation visited Pakistan last month, possibly to prepare a new military aid package for Pakistan. It is unlikely that Islamabad will receive as much as it would like from the Chinese. ③ Peking cannot provide the sophisticated equipment that Islamabad apparently wants, and recently Li Hsien-nien ① publicly cautioned that China does "not have the resources to afford big quantities of aid" for Pakistan. The likelihood of China offering a smaller package of military

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assistance this year may coincidentally help to smooth the way for a Chinese attempt to improve relations with India.

① Better ties with India would also affect Bangladesh, where China has been consolidating its position since the fall of the pro-Indian, Soviet-aided regime in 1975. During strongman Zia ur-Rahman's visit to China earlier this year, Peking extended limited military and economic assistance to Dacca, including a squadron of MIG-19s. Chinese officials, however, have uttered only guarded support for Bangladeshi positions in bilateral disputes with India. If Peking is satisfied with the results of the forthcoming Farakka barrage talks between India and Bangladesh over diversion of Ganges River water, it may further reduce comments on Bangladeshi disputes with India. It is unlikely, however, that the Chinese would reduce their present limited level of economic and military support to Bangladesh for fear that the Soviets would supplant them there.

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Sabotage on China's Railways: The Tip of the Iceberg?

① Despite the new regime's success in restoring political order in China's faction-ridden provinces, there is reason to suspect that a great deal of sabotage, arson, murder, and other breaches of public security is currently disrupting the nation's railroad network. This unrest may in some instances be politically motivated and related to the campaign against local followers of the "gang of four."

① According to a national conference on railway work in late February, "class enemies" are disrupting the railways, despite the efforts of local party committees, public security departments, and railway personnel. Another conference on railway public security work sponsored by the ministries of public security and railways also stressed the need for a greater public security effort against railway saboteurs.

① [redacted] as late as mid-March operation of the railways in some areas was chaotic enough to warrant the intervention of local military units. Most provinces have held provincial level railway conferences, but only a few [redacted] have admitted having current public security problems.

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① [redacted] roving bands of "criminal gangs and other scoundrels" are creating havoc along the provincial railway network. Anhwei Province has been politically stable for the past 10 years, but has been run by a man who harshly criticized Teng Hsiao-ping last year and who may be closely associated with the "gang of four." It is possible, therefore, that Anhwei's railway saboteurs are rightists who are trying to defy the province's leftist leadership. It is more likely, however, that they are low-level leftists who have been suppressed by Anhwei's leaders to convince Peking of their loyalty.

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② Although there have been no reports directly linking railway saboteurs to local leftists who may have fled after the fall of the "gang of four" in order to avoid incarceration, the case of Anhwei Province suggests that perhaps some leftists did arm themselves and go underground. This would account for the sudden instability in a formerly quiet province--an instability brought on by a crackdown ordered by the regime on low-level followers of the "gang of four."

② If this is the case, the campaign to root out followers of the "gang of four" may be encountering more resistance [redacted] Leftist-generated sabotage of the nation's railways not only poses public security problems, but could have serious economic effects--as it did last year--on China's sagging economy. [redacted]

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## CHRONOLOGY

March 21-31	Yang Cheng-wu leads military delegation to Pakistan. [ ]	25X1
22	Romanian military delegation visits China, meets with Li Hsien-nien on April 5. [ ]	25X1
25	Egyptian trade delegation meets with Vice Premier Ku Mu, departs on March 26. [ ]	25X1
29	Wang En-mao identified as first secretary of Kirin Province. [ ]	25X1
31	<i>Yunnan Daily</i> editorial makes first apparent attack on Cultural Revolution, calling it the "gang of four's" system of "bourgeois factionalism." [ ]	25X1
31	Li Hsien-nien gives banquet for Cambodian Deputy Prime Minister Ieng Sary. [ ]	25X1
Early April	Chinese and Japanese agree in principle to conclude a long-term trade agreement. [ ]	25X1
April 6	Li Hsien-nien sharply criticizes Soviet Union for invading Zaire; prompts Soviet bloc walkout. [ ]	25X1
6-10	Mauritanian President Moktar Ould Daddah visits China, meets with Hua Kuo-feng April 8. [ ]	25X1
9	US congressional delegation arrives in China. [ ]	25X1
10	British Conservative Party leader Margaret Thatcher meets with Hua Kuo-feng. [ ]	25X1

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